



# ASX Announcement

30 January 2023

## Mahalo North development plan update

### Key points:

- Comet Ridge and Denison to undertake an engineering study for an upgrade of Denison's infrastructure to process gas from Mahalo North.
- The parties have engaged engineering contractor, Verbrec, to undertake the jointly funded FEED study.
- The study will prepare the design, project schedule and budget for upgrade of the Denison infrastructure to accommodate up to 10 TJ/d of gas production from Comet Ridge's 100% held Mahalo North project.
- Given the high-quality composition of Mahalo North gas, only dehydration and compression are required for transport and sales.
- Once the results of the FEED study are completed, the parties intend to finalise commercial arrangements for the transportation of Mahalo North early gas production via the Denison infrastructure.

Comet Ridge Limited (ASX:COI) is pleased to advise that it has progressed discussions with Denison Gas Limited (Denison) for Comet Ridge to transport gas from Mahalo North via the nearby Denison compression and dehydration plant and pipeline infrastructure (Infrastructure). The parties have appointed Verbrec Infrastructure Services Pty Ltd (Verbrec) to undertake a Front-End Engineering Design (FEED) study which is being jointly funded by Comet Ridge and Denison.

The intent of the FEED study is to undertake process design, equipment selection, develop plant layout, project scope, schedule and budget for the Denison Infrastructure upgrade to accommodate the supply of 10 Terajoules/day (TJ/d) of gas production from the Mahalo North Early Production Scheme (EPS) within ATP 2048.

Once the results of the FEED study are finalised, Comet Ridge and Denison will finalise the commercial arrangements under which Denison will compress, dehydrate and transport Mahalo North gas production, enabling Comet Ridge to move the project very quickly from recent appraisal and reserves certification activities, through development, and onto gas sales.

**Comet Ridge Managing Director, Tor McCaul**, said "We are very pleased with the considerable progress we have made with the team at Denison, our near neighbours in the Denison/Mahalo gas province. Whilst Comet Ridge will have a path to market for Mahalo North gas, there are other potential opportunities for this partnership to benefit both parties, such as the sharing of technical resources and data, operating efficiencies, and reducing drilling and other field related costs by rig sharing and gas blending arrangements.

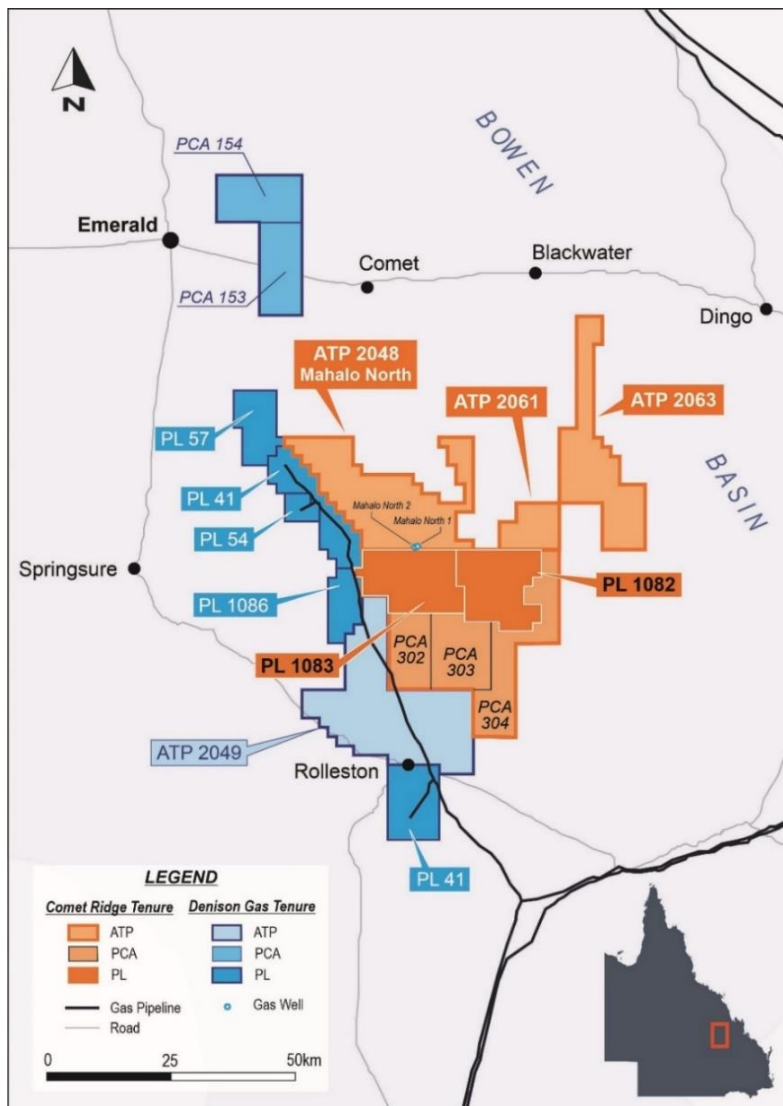
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“The investment in engineering studies for this project comes at a modest cost, which is appropriate at a time of uncertainty for the gas production industry. We remain hopeful that the Australian Government will listen to industry concerns about the negative impact its current domestic gas policy will have on future gas supplies and make necessary changes that will allow companies like Comet Ridge to invest with confidence in the development of the new sources of gas that are urgently needed for Australian consumers and manufacturers.”

**Denison Chief Executive Officer, Benson Wong**, said “Denison is pleased to be working with Comet Ridge and assisting them in getting their gas to market more quickly. This is an excellent example of two companies working together to help satisfy the needs of the East Coast energy market. In addition to expanding our processing and transportation capacity in our established, integrated processing facilities, Denison is also focused on expanding our supply of gas to market from our conventional gas reserves and CSG resources.”

The map below shows the proximity of the Comet Ridge held Mahalo North project in relation to the Denison permits and Infrastructure.



Concurrent with the Infrastructure FEED study, Comet Ridge is also progressing its internal planning of the capital expenditure requirements and approvals required for the Mahalo North field development.



### **About Comet Ridge**

*Comet Ridge Limited (ASX: COI) is a publicly listed Australian energy company focused on the development of natural gas resources for the strained east coast Australian market. The company has tenement interests and a suite of prospective projects in Queensland. Our flagship Mahalo Gas Hub project consists of low cost, sales spec natural gas blocks, close to Gladstone. Our exploration assets offer further upside amid increasing domestic and international demand for natural gas as a source for cleaner energy and as a key manufacturing feedstock that makes thousands of products, used daily.*

*Comet Ridge plans to transition its Mahalo Gas Hub assets into meaningful gas supply into the east coast gas market, commencing with the Mahalo North EPS, in partnership with Denison, followed by the larger Mahalo Gas Project, in joint venture with Santos QNT Pty Ltd (as the Development Operator).*

*More information regarding Comet Ridge is available at [www.cometridge.com.au](http://www.cometridge.com.au).*

### **About Denison:**

*Denison is a gas production and exploration company focused on both efficiently increasing its existing conventional gas production and developing the significant CSG resources within its Denison Trough tenement areas.*

*Since April 2019, Denison has operated 14 gas fields, 2 gas processing facilities, 4 additional gas compression facilities and a 200-kilometre gas pipeline network connected to the Jemena-operated Queensland Gas Pipeline.*

*Following the restart of its Denison North project in early 2020, Denison embarked on a program to bring its remaining 2P conventional gas reserves into production, to fill its available gas processing capacity, to meet its executed gas sales agreements through to 2025, and to allow contracting of new gas sales. The Company is also focused on development of its contingent CSG resources to position itself to become a significant independent producer into the East Coast gas market.*

*More information regarding Denison is available at [www.denisongas.com.au](http://www.denisongas.com.au).*

**By Authority of the Board per: Tor McCaul, Managing Director**

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